United Nations S/2011/363

Security Council

Distr.: General
17 June 2011
English
Original: French

Letter dated 14 June 2011 from the Secretary-General addressed to the President of the Security Council

Pursuant to Security Council resolution 1244 (1999), I have the honour to convey to you the attached letter dated 7 June 2011 from the Deputy Secretary General of the North Atlantic Treaty Organization, Mr. Claudio Bisogniero, transmitting the report on the international security presence in Kosovo for the period 1 January to 31 March 2011 (see annex).

I should be grateful if you would bring the present letter to the attention of the members of the Security Council.

(*Signed*) **BAN** Ki-moon

11-38791 (E) 070711 070711

Please recycle

Annex

Report to the United Nations on the operations of the Kosovo Force

[Original: English]

Introduction

1. The present report is pursuant to the Kosovo Force (KFOR) reporting requirement under Security Council resolution 1244 (1999). The report covers the period from 1 January to 31 March 2011.

2. As at 31 March, the total number of KFOR troops in theatre stood at 7,300. This number included 1,150 from non-NATO countries.

Security situation and operations

3. The situation in Kosovo remained generally calm throughout the reporting period, which was nevertheless marked by significant political events that demonstrated again the ability of the Kosovo authorities to deal with political and legal challenges, such as the peaceful re-run of elections in five municipalities in January 2011, the constitutive session of the new Assembly on 21 February 2011 and the appointment of a new leadership on 22 February, as well as the constitutional court ruling on 30 March. During the reporting period, KFOR continued operations to maintain a safe and secure environment and freedom of movement. KFOR conducted operations as a third responder in northern Kosovo in support of the European Union Rule of Law Mission in Kosovo (EULEX) and the Kosovo Police.

4. KFOR also continued the successful process of handing over the guarding of properties with designated special status to the police.

5. Following the Central Election Commission decision to re-run elections in five municipalities on 9 January and in Mitrovica on 22 January, KFOR, in close coordination with EULEX and the police, set up a security concept maintaining a low profile and a high readiness state to respond to requests for assistance. No official requests for assistance were made to KFOR.

6. On 17 January, KFOR formalized the handover of 66 kilometres of border responsibility along the border with the former Yugoslav Republic of Macedonia[1] to the Kosovo Border and Boundary Police. The second border section of 70 kilometres was handed over on 19 March, and KFOR seeks to hand over the final section in June 2011.

7. On 18 February, the Supreme Allied Commander Europe, Admiral Stavridis, visited Kosovo where he met with the KFOR Commander, Major General Bühler and the EULEX Head of Mission, Xavier de Marnhac. Visits were conducted to the Devic monastery and Mitrovica.

[1] Turkey recognizes the Republic of Macedonia with its constitutional name.

8. On 1 March, KFOR successfully implemented "Gate 2" or the second phase of Deterrent Presence, thereby reorganizing its forces into two multinational battle groups, a strong tactical reserve, and five joint regional detachments. During the transition process, troops and camp numbers have been reduced significantly while KFOR continued to maintain a safe and secure environment and freedom of movement.

9. On 7 April 2011, a high-level Joint Implementation Commission meeting took place between the KFOR Commander and the Serbian Chief of Defence, Lieutenant General Miletic. Both commanders discussed mutual relations and the security situation astride the boundary between Kosovo and Serbia. The KFOR Commander assessed that cooperation with Serbian Armed Forces continues at an excellent level with no outstanding issues. On 16 March, the KFOR Commander visited Montenegro in the context of a high-level Joint Implementation Commission meeting where he was received by the Montenegro Chief of Defence and the Defence Minister of Montenegro, Boro Vucinic, with whom he discussed the impending unfixing of the border with Montenegro.

NATO new tasks

10. The Kosovo Security Force has enhanced its main operational performance but still needs to develop its supporting tasks. The force has approximately 2,200 active members, 8 per cent of which are ethnic minorities, and 4.7 per cent of which are female.

11. During the reporting period, the Kosovo Security Force planned and executed several projects and conducted regular and bilateral training programmes. Of note, on 10 January, fire fighters from the Kosovo Security Force began a three-week basic training course at KFOR headquarters.

12. The Kosovo Security Force is facing a lack of advanced training in some capabilities, including search and rescue, fire fighting, hazardous materials and explosive ordinance disposal. On that basis, the Kosovo Security Force is eager to engage in cooperation with bilateral training partners to minimize the problem.

13. On 15 January, the Kosovo Security Force reserve component selection phase ended with a total of 151 selected candidates. The process went well, with some improvements on mobile recruitment teams.

14. On 21 January, the Kosovo Security Force active component recruitment campaign for 2011 started and recruitment applications were accepted from 14 February to 21 March. As a result, 4,565 applications have been submitted, of which 144 were from minorities[2] and 221 from females[3]. Basic training should start in June 2011.

15. On 29 March, a field exercise was conducted by Kosovo Security Force units to deliver training in mine clearance, search and rescue, nuclear chemical and biological defence and fire fighting operations. During the exercises, all members practised staff procedures, planning and decision-making in emergency situations of

[2] Comprising 42 Kosovo Serbs, 5 Kosovo Roma, 23 Kosovo Ashkali, 33 Kosovo Turks, 11 Kosovo Egyptians and 30 Kosovo Bosniaks.

[3] Comprising 214 Kosovo Albanians, 1 Kosovo Serb, 3 Kosovo Bosniaks, 2 Kosovo Turks and 1 Kosovo Egyptian.

various disasters. Training was focused on the actions of specialized response units, as well as their readiness to react to real-life situations, through several simulations.

16. Recently, KFOR headquarters reported that the Kosovo Protection Corps resettlement programme is expected to be closed by November 2011. Those members who belonged to the former Kosovo Protection Corps and are currently on duty within the Kosovo Security Force were provided with the opportunity to join the programme until 1 April 2011. At present, nearly 1,400 active Kosovo Security Force members are from the former Kosovo Protection Corps and their enlistment contracts expire in January 2012.

Summary

17. The overall security situation remained stable, despite the poor economic situation. KFOR implemented "Gate 2" of Deterrent Presence while contributing to a safe and secure environment and freedom of movement in Kosovo.

United Nations S/2011/364

Security Council

Distr.: General
17 June 2011
English
Original: French

Letter dated 14 June 2011 from the Secretary-General to the President of the Security Council

I have the honour to convey the attached letter dated 27 May 2011 from the Deputy Secretary General of the North Atlantic Treaty Organization, Mr. Claudio Bisogniero, transmitting a progress report on International Security Assistance Force operations in Afghanistan from 1 February to 30 April 2011 (see annex).

I should be grateful if you would bring the present letter to the attention of the members of the Security Council.

(*Signed*) **BAN** Ki-moon

11-38785 (E) 010711 060711

BEST COPY AVAILABLE

Please recycle

Annex

Letter dated 27 May 2011 from the Deputy Secretary General of the North Atlantic Treaty Organization to the Secretary-General

[Original: English]

In accordance with Security Council resolutions 1386 (2001) and 1943 (2010), I attach a report on the operations of the International Security Assistance Force (ISAF) in Afghanistan covering the period from February 2011 to April 2011 (see enclosure). I would appreciate your making the report available to the Security Council.

(*Signed*) Claudio **Bisogniero**

Enclosure

Quarterly report to the Security Council on the operations of the International Security Assistance Force

[Original: English]

Introduction

1. The present report, pursuant to the request under Security Council resolutions 1386 (2001) and 1943 (2010), informs the United Nations on the progress of the mission of the International Security Assistance Force (ISAF) covering the period from 1 February to 30 April 2011. As at 4 March 2011, total ISAF strength stood at 132,203 personnel provided by 28 North Atlantic Treaty Organization (NATO) nations and 20 non-NATO nations. NATO and ISAF invite additional United Nations Member States to support this United Nations-mandated mission by providing trainers and mentors for the Afghan National Security Forces, as well as providing increased support for the civilian sectors of governance and development.

2. Throughout the reporting period, ISAF continued to assist the Government of Afghanistan in accordance with relevant Security Council resolutions. From 1 February to 30 April 2011, ISAF suffered 1,422 casualties, including 106 killed in action, 1,047 wounded in action and 17 non-battle-related deaths.

3. A significant event during the reporting period was President Karzai's Nowruz speech on 22 March in Kabul, in which he formally announced the first tranche of provinces and districts to start the transition process to an Afghan security lead in July 2011. His announcement provides a significant step towards the Afghan people assuming security responsibility for their country. During the winter period, ISAF and Afghan National Security Forces high operational tempo, along with the expansion of the Ministry of the Interior-led Afghan Local Police programme, continued to further degrade the insurgency network. The slight decline in violence witnessed during the reporting period is expected to be followed by an active spring and summer as the insurgency will likely try to regain territory and undermine a public sense of greater security achieved thus far. The next six months will likely be a critical period for the ISAF campaign to solidify the momentum shift, make the gains in key areas increasingly irreversible and support the growth and professionalization of the Afghan National Security Forces to allow transition of security responsibilities to Afghan forces.

Noteworthy points during the reporting period include the following:

(a) On 13 February 2011, the Afghan National Security Committee endorsed an increase of the Afghan National Security Forces. The Joint Coordination Monitoring Board was scheduled to meet in July 2011 to discuss and decide the end strength of the Afghan National Security Forces for 2012.

(b) On 15 March, the Government of Afghanistan approved a private security company bridging strategy, allowing for the continued use of private security companies to protect diplomatic missions, ISAF bases and convoys, and development projects for a period of time. Following a lengthy delay, an acceptable Dari translation has also been approved and signed, allowing the bridging strategy to finally come into effect.

(c) Subsequent to President Karzai's press release dated 24 March in which he condemned the Koran burning incident that took place in the United States of America on 20 March 2011, which was further inflamed by the Iranian media's coverage of the event on 31 March, violent demonstrations took place in Mazar-e-Sharif on 1 April and Kandahar on 2 April. The demonstrations resulted in the tragic loss of at least 18 lives, including three international United Nations staff members and four international United Nations security guards who were murdered in Mazar-e-Sharif.

(d) On 4 April 2011, the Afghan Ministry of the Interior approved the National Police Plan. Developed in accordance with the Ministry's Strategic Planning Directive and the Afghan National Police Strategy, the Plan represents a milestone for the Afghan national police and provides planning guidance to meet current and future challenges to stabilization, law enforcement and civil order.

(e) During the ministerial meeting held in Berlin on 14 and 15 April 2011, NATO foreign ministers agreed on a set of initial activities and programmes for the NATO-Afghanistan enduring partnership. The Secretary General of the North Atlantic Treaty Organization stated that the partnership was the framework within which NATO was building its long-term engagements with Afghanistan, beyond the end date of the ISAF combat role.

Security situation

4. The significant security gains made during the third and fourth quarters of 2010 were firmly consolidated during the reporting period. The Afghan National Security Forces and ISAF winter operations continued to assert pressure on insurgent networks during a period normally used by the insurgents to recuperate and prepare for the following year's spring fighting season. The overall security situation improved and the insurgents' freedom of movement, logistical capabilities and leadership were further degraded. The Afghan National Security Forces and ISAF remained present in areas cleared of insurgents. Successful village stability operations, such as the Afghan Local Police, which hands the responsibility for security at the village level back to the population, helped to put an additional strain on the insurgency. The reporting period was also noteworthy for the large numbers of weapon and narcotic cache finds, which might have an impact on the start of the 2011 spring fighting season, expected after the end of the poppy harvest.

5. The Afghan security environment remains complex, with a resilient and adaptive insurgency. The reality on the ground increasingly forced the insurgents to focus on softer targets (officials of the Government of Afghanistan and off-duty Afghan National Security Forces) and avoid direct contact with deployed Afghan National Security Forces and ISAF. As reported previously, many of the regional and domestic factors that sustain the insurgency and impede effective counter-insurgency operations remain in place. The insurgents still retain some freedom of movement, mainly in rural areas with a smaller presence of Afghan National Security Forces and ISAF, as long as they have access to external safe havens and support networks. The strategic goal of the insurgency remains unchanged: surviving in order to remain an alternative to the Kabul Government and causing significant losses to ISAF in order to undermine international support for the mission and prompt a withdrawal of foreign forces from Afghanistan before the mission is accomplished. Improvized explosive devices remain the most significant

threat to ISAF, Afghan National Security Forces, the Government of Afghanistan and the Afghan population.

6. Regionally, the security situation can be described as follows:

(a) *Regional Command Capital*. The security situation in Kabul City and Province remained stable during the reporting period, despite occasional insurgent attacks that created media attention, but did not alter the security situation;

(b) *Regional Command North*. Fully partnered security operations between Afghan National Security Forces and ISAF forced the insurgents to relocate to areas with a smaller ISAF presence. Although a small number of insurgent-initiated security incidents took place, the overall security situation remained stable;

(c) *Regional Command West*. The security situation remained stable, with continuing ISAF and Afghan National Security Forces operations maintaining freedom of movement throughout the region for both friendly forces and the local populace. Ongoing operations in Regional Command South-West forced insurgents out of their traditional safe havens in Sangin and Kajaki. Some of the insurgents have crossed into Regional Command West, causing a small increase in kinetic activity;

(d) *Regional Command South*. The large security operations executed during 2010 in and around Kandahar City resulted in a significantly improved security situation. During the reporting period, the Afghan National Security Forces showed their increasing capabilities by successfully preserving the improved security situation, despite occasional insurgent-initiated security incidents such as the killing of the Provincial Chief of Police and the Saraposa prison break in April 2011. By expanding the Kandahar City security bubble westward towards Lashkar Gar in Regional Command South-West, ISAF and the Afghan National Security Forces will gain control of the traditional Taliban heartland;

(e) *Regional Command South-West*. Afghan National Security Forces successfully partnered with ISAF to clear Central Helmand, setting the stage for operations to clear the remaining insurgent sanctuaries in the north of Helmand (Kajaki area). The insurgency's logistical bases in the south of Helmand have been effectively interdicted by Afghan National Security Forces and ISAF special operations forces;

(f) *Regional Command East*. The eastern part of Afghanistan, bordering the federally administered tribal areas of Pakistan, remains an important area for the insurgency, providing the link between external sanctuaries and Kabul City. The Afghan National Security Forces and ISAF continued to interdict traditional insurgent safe havens and supply routes, gradually forcing the insurgents to redirect their effort towards re-establishing these essential parts of their campaign. Coordination of security-related activities between ISAF, the Afghan National Security Forces and the Pakistan military improved markedly.

Afghan National Security Forces

7. The growth and professionalization of the Afghan National Security Forces is a strategic priority for an irreversible transition process and for sustainable progress in Afghanistan. The Afghan National Security Forces training capacity continues to grow in various training programmes. By providing the required numbers of

coalition trainers and advisers, United Nations Member States can further support the growth and professionalization of the Afghan National Security Forces. One of the principal challenges in support of the ISAF campaign will be its resourcing according to requirements as the transition takes effect across an increasing number of provinces.

8. Notwithstanding the existing trainer shortfalls, the Government of Afghanistan and ISAF have made significant progress to train, equip and support the Afghan National Police and National Army. Investments in leadership development, literacy and institutions all yielded significant dividends. Mandatory literacy training has contributed to important preconditions in professionalizing the Afghan National Security Forces. On any given day there are over 70,000 personnel enrolled in literacy training, while 81,853 personnel have completed at some level. New military and police training centres are starting up. Afghan National Police pay has been increased by 65 per cent to help reduce incentives for corruption. Additionally, improved procedures for payment using electronic fund transfers also reduced the opportunities for corruption. The NATO Training Mission Afghanistan is implementing an "Afghan First" programme to build Afghan self-sustainability by using local entrepreneurs to provide the Afghan National Security Forces with the required equipment and infrastructure.

9. To address the remaining challenges and shortfalls within the Afghan National Security Forces, the Ministry of Defence and Ministry of the Interior will focus mainly on the following objectives for 2011:

(a) Providing support to and enabling forces for formations already deployed;

(b) Completing the Operational Ground Force Command for the Afghan National Army;

(c) Continuing leadership development programmes;

(d) Reducing attrition, increasing retention and professionalizing the organization;

(e) Improving Afghan National Security Forces logistical progress through the enhanced equipment accountability and the professionalization of logistics formations.

Afghan National Army

10. During the reporting period, the Afghan National Army strength expanded to more than 164,000, with about 25,000 soldiers and officers assigned to various training programmes.

11. The Afghan National Army continues to be the most capable organization within the Afghan National Security Forces, operating more and more independently and in lead of joint operations. However, attrition rates remain high and are above the Ministry of Defence monthly target. The current attrition rates will require increased recruitment to meet the objective of 171,600 by October 2011. Programmes initiated by Afghan authorities in cooperation with ISAF will strive to mitigate attrition. Such strategies will include improving benefits in high-risk and high-attrition areas. The Afghan National Army has also begun to reduce the imbalance between leaders and soldiers by accelerating the growth of officers and

non-commissioned officers. Given the current development, officer and non-commissioned officer shortfalls should be eliminated by late 2012.

12. The effectiveness of Afghan National Army forces is constantly improving, with more than 70 per cent of all Kandaks now rated as either "effective with advisers" or "effective with assistance", and one rated as independent. The Ground Forces Command has been implemented and is under development. The training capacity throughout the country continues to increase and the overall army training level has been increased. Combat support and combat service support units are being fielded, a medical branch is being developed, increasing emphasis is being put on developing a logistics system and 11 out of 12 branch schools are now open. In addition, the number of Afghan instructors is also growing, with the goal of reaching 80 per cent by the end of 2011.

Afghan Air Force

13. The Afghan Air Force continues to make steady progress in increasing its capabilities. Attrition stands at an acceptable level to maintain professional and technical skills. The previously reported Afghan Air Force fleet of aircraft did not change during the reporting period. By the end of March 2011, Afghan Air Force personnel strength was just above 4,700. This represents an increase of roughly 600 compared with December 2010. NATO Training Mission Afghanistan/Combined Security Transition Command Afghanistan and their Afghan partners continue to explore opportunities to expand the Afghan Air Force to the proposed 2016 end strength of 8,017 personnel. The main factors that are limiting growth and development of the Afghan Air Force pilot training, and the technically advanced specialties required for aircraft maintenance and airfield support, include basic education levels and English language requirements.

14. Afghan Air Force operations have encompassed a range of missions such as rescue, transport, battlefield mobility and casualty evacuation. A new addition was the Presidential Airlift Squadron, which completed a move of a VIP by an all-Afghan crew for the first time. At Shindand airfield in Herat Province, building projects are under way to ensure that the base will become the future training base for the Afghan Air Force. With the first students having already completed some training courses, training has started parallel to the development of the base. Construction continues at the other Afghan Air Force bases, with the installations at Kabul International Airport being closest to completion. The MI-17 helicopter "schoolhouse" achieved a milestone with the graduation of its first locally trained MI-17 pilot in April 2011. It is also receiving Afghan candidates to prepare and teach academic classes.

Afghan National Police

15. The Afghan National Police strength grew by nearly 9,000 during the reporting period, expanding the force to approximately 126,000. Overall, the Afghan National Police continued to make progress towards its target of 134,000 staff by October 2011, with around 8,300 policemen assigned to various training programmes.

16. Afghan National Police training systems are improving and the training capacity stands at about 13,000 slots, which is expected to expand to 19,000 by December 2011. NATO Training Mission Afghanistan continues to develop training

sites in order to increase the size of the Afghan National Police and to develop the capacity to professionalize the force.

17. The effectiveness of Afghan National Police forces is continuously increasing and more than 78 per cent of the Afghan National Police elements are now rated as either "effective with advisers" or "effective with assistance", compared with 69 per cent for the previous reporting period.

18. The attrition rates continue to challenge the Afghan Border Police and Afghan National Civil Order Police. However, it is noteworthy that attrition within the Afghan National Civil Order Police decreased significantly from February 2010. The previously reported negative trend for the Afghan National Civil Order Police has not only been reversed but also experienced significant personnel expansion, with a strength of 9,348 deployed in four brigades and an additional 3,303 in training, compared with just under 4,000 in the second quarter of 2010.

Institutional capacity

19. The Ministry of the Interior and the Ministry of the Defence continued to make progress during the reporting period, instituting a number of reforms that are expected to encourage merit-based promotions throughout the ranks and further support the professionalization of the force.

(a) On 5 February 2011, the newly developed Professional Development Board endorsed both the Basic Police Patrolman (a standardized six-week training programme for the Afghan National Police) and the Train the Trainer programme of instruction, with the goal of qualifying 500 Afghan National Police instructors by 11 July and 900 by the end of 2011. The Board consists of the heads of the Afghan National Police Training Centre, European Union Police Mission, German Police Project Team and NATO Training Mission Afghanistan. This is the first time these four bodies have directed that a programme of instruction be adopted as a national standard for a course;

(b) Furthermore, on 5 March 2011, the Ministry of the Interior hosted a signing ceremony with the Turkish and Japanese Ambassadors and NATO Training Mission Afghanistan for the Sivas Police Officer Candidate School in Turkey. Turkey will host 500 Afghan police candidates at a time, to receive training funded by Japan and the United States.

Private security companies

20. The approved private security company bridging strategy of 15 March 2011 will allow for the continued use of private security companies for a one-year period while concurrently developing the capabilities and capacity of an existing, Ministry of the Interior-run, Afghan Public Protection Force. Within one year, ISAF will begin to transfer responsibility for the security of its convoys and bases to the Afghan Public Protection Force, as will development agencies that use private security companies for security. Diplomatic entities will retain full authority to use private security companies to protect their personnel and facilities in accordance with the Vienna Convention on Diplomatic Relations of 1961.

21. ISAF and the United States Agency for International Development will assist the growth and development of the Afghan Public Protection Force and, during the bridging period, private security companies will effectively train members for the

Afghan Public Protection Force, thereby accelerating its growth. ISAF maintains a proactive stance in key leader engagements and planning efforts in order to support Afghan authorities in assessing and reducing impacts associated with the implementation of Presidential Decree 62.

Afghan Local Police

22. The Ministry of the Interior-led Afghan Local Police programme is gradually making progress and new Afghan Local Police sites are being established. As at 23 April 2011, there were 37 Afghan Local Police sites assessed as operational and the remaining 40 planned Afghan Local Police sites are eligible for manning and validation, bringing the total number of Afghan Local Police personnel to 5,310. The authorized strength of 10,000 Afghan Local Police members is expected to grow to 30,000, but is still pending approval of the necessary budget. ISAF continues to assist the Minister of the Interior in conducting a three-week Afghan Local Police training programme.

23. Some challenges remain regarding the distribution of equipment, uniforms and salaries to Afghan Local Police members. The issue has been addressed by the Ministry of the Interior and assisted by ISAF, which are now working together to refine the logistic plans. United States funds will be used to mitigate the problems until the final recruiting packages can be corrected and Afghan Local Police sites can be funded through ordinary Ministry of the Interior channels using the United States Afghan Security Forces Fund.

Civilian casualties

24. The overall number of incidents involving civilian casualties increased by 8.7 per cent compared with the same period in 2010, with an increasing trend compared with the previous reporting period. However, at the same time, the number of civilian casualties caused by ISAF during the reporting period decreased by 15 per cent compared with the previous period, while the number of civilian casualties caused by insurgents increased by 14 per cent. Insurgents are now responsible for around 85 per cent of all civilian wounded or killed. ISAF continues its exhaustive efforts to minimize civilian casualties incidents as much as possible.

Counter-narcotics

25. The Government of Afghanistan and Afghan security forces continued to conduct counter-narcotics efforts. In the past several months, the Government of Afghanistan has been executing the Governor-Led Eradication programme in provinces throughout the country, with the Afghan National Army and Afghan National Police providing security to elements conducting eradication. Those operations have eradicated many acres of poppy plants, yet that represents only a small proportion of the total poppy plants cultivated. Therefore, eradication has had a limited impact on reducing poppy plant cultivation. As assessed by the United Nations Office on Drugs and Crime, without a blight disease to the poppy crop similar to the one that occurred in 2010, the total opium yield will likely increase in 2011.

26. The Afghan National Security Forces and ISAF increased security operations including cache searches in early 2011, and counter-narcotics operations by the Government of Afghanistan supported by ISAF have resulted in more seizures and

destruction of narcotics than experienced in past years. During the reporting period, significant seizures of narcotics have amounted to tons of opium, marijuana and heroin being destroyed. One of several examples from the reporting period is the significant seizure of marijuana in southern Afghanistan where approximately 3,500 kilograms were discovered in one operation. That seizure was the largest marijuana seizure of 2010 and 2011. With security forces now holding previous safe-haven areas in provinces such as Helmand and Kandahar, the opium trade may be more heavily pressured than in any other year, even if poppy production remains high.

27. NATO and ISAF, through efforts of the provincial reconstruction teams, also continue to pursue and support alternative crop development aimed at providing poppy farmers with information to replace poppy with a licit crop to ensure their income. Alternative crop initiatives include wheat, pomegranate and saffron. Those initiatives have gained momentum in certain areas but not substantially impacted overall poppy production.

28. The narcotics trade in Afghanistan will remain a significant challenge to long-term stability. Taliban insurgents continue to rely on funding from the drug trade as a primary source of income. However, with critical areas increasingly under the control of Afghan forces and ISAF, the insurgency may find it more difficult in 2011 to access funding or control the poppy trade. ISAF support to Afghan efforts to fight both the supply and demand of narcotics may reduce the negative impact of that illicit activity over time.

Governance

29. Through the leadership of President Karzai and other elected Afghan officials, governance capacity in Afghanistan continued to improve even while facing difficult issues and continued violence. The previously addressed announcement of the first tranche to begin transition will be followed by the Afghan-led Transition Conference, expected to take place in Kabul from 15 to 20 June 2011, to review the draft implementation plans for tranche 1 and draft action plans for tranche 2. ISAF, in close coordination with the Government of Afghanistan, has conducted transition planning and, in preparation for the upcoming conference, will continue to address key factors that support an irreversible and self-sustaining transition process. Extending the rule of law is one of the most pressing governance issues in that respect. It is one of the highest priorities for the Afghan population and one of the few areas where the insurgency continues to compete with Government service delivery.

30. The improved security environment provided by ISAF and the Afghan National Security Forces in and around the major population centres has produced additional opportunities for development of local governance. The public perception of the Government's ability to provide basic services has improved and several infrastructure projects have made progress. At the end of March 2011, an assessment of the 124 key terrain districts and all areas of interest showed that 53 per cent of the population lives in areas rated as having "emerging" or "full authority" (an increase of 15 per cent since September 2010). Furthermore, the reporting period continued to witness important developments in subnational governance, particularly in Helmand and Kandahar provinces. Local *shuras* (consultations) have reported visible improvements in the performance of district governors, police

chiefs and mediators. Although significant shortfalls still remain, district *shuras* are now attended by more residents and district governments are beginning to receive more trained civil servants.

31. In the six months since President Karzai created the Afghan Peace and Reintegration Programme, reintegration activity has increased incrementally, supported by the establishment of Government institutions to facilitate the process. Those include the formation of the High Peace Council, the establishment of the Reintegration Trust Fund and the Provincial Peace Councils, with 27 now established and 7 councils emerging. As at 2 May, there were 1,159 reintegrees formally enrolled and approximately 2,000 potential reintegrees in various stages of the reintegration process. As prospects for reintegration continue to increase, sustainable security and employment opportunities will be among the most important elements to encourage reintegration and to ensure that former insurgents do not return to the fight. Although this is an Afghan-led process, ISAF continues to support the Government of Afghanistan as it builds the process to carry out widespread reintegration. On 26 March, ISAF supported the Government of Afghanistan in hosting the first theatre-wide International Reintegration Conference in Kabul. The Conference allowed ISAF, civilian stakeholders and Afghan officials to discuss reintegration initiatives throughout the country and ways to better synchronize their joint efforts. In 2011, the Government of Afghanistan has also made much more concerted attempts to reduce corruption within each of the ministries. The ISAF-led task force *Shafafiyat* (transparency) has provided support to Afghan counter-corruption initiatives aimed at eliminating patronage networks.

32. Key challenges remain that will hinder continued and sustainable improvement in governance. Significantly, the ability of the Government of Afghanistan to execute its budget has been inefficient and struggles with the Kabul Bank continue to threaten the financial sector. Also related, rule of law improvements are still needed if the Government and Ministry of Justice in particular are to provide the Afghan people with a relevant dispute resolution system.

33. In a series of meetings during the reporting period involving the NATO Senior Civilian Representative and Provincial Reconstruction Team contributing nations, a concept of Provincial Reconstruction Team evolution was drafted defining an end-state for the Provincial Reconstruction Teams. The meeting was focused on conceptualizing the planning process that must be undertaken and included the minimally sufficient capacity requirements that the Government of Afghanistan must achieve to enable the phasing-out of Provincial Reconstruction Teams by the end of transition implementation in 2014. This concept is expected to be discussed at the Afghan-led Transition Conference.

Development

34. The progress in development was slower than the security gains. Nonetheless, there were some notable improvements due to the improved security conditions achieved by ISAF and Afghan National Security Forces, particularly in the south and south-west. Noteworthy points from the reporting period include the following:

(a) The Kandahar Power Initiative supported by ISAF was successfully completed in February 2011 and two 10 megawatt generators are now providing additional capacity for industrial use in Kandahar; this will create significant jobs

and economic opportunities as well as support consolidated security gains in this critical area;

(b) On 9 February 2011, Kandahar hosted the Southern Regional Development Conference, which brought together stakeholders, including representatives of provincial leadership from six provinces; various line ministries from Kabul; the Afghan Independent Directorate for Local Governance; the United Nations; the High Peace Council; a number of foreign embassies; and ISAF. The security situation would probably have prevented such a meeting just six months ago. The Conference focused on the improvement of essential services, transition and peace and reintegration guidance;

(c) In March 2011, a 75 kilometre-long railway connecting the Hairatan border crossing with Mazar-e-Sharif in Balkh Province was completed. The railway, expected to be fully operational in May 2011, will significantly increase the capacity of freight passing through the border between Uzbekistan and Afghanistan;

(d) The mining sector continues to show great potential to promote economic development. The Government of Afghanistan, supported by ISAF entities through United States funding, pursued its efforts to further attract foreign investment, improve supporting infrastructure and ensure mine safety;

(e) The total number of children enrolled in school steadily increased during the reporting period. According to the Afghan Ministry of Education, 311 of the 673 previously closed schools have reopened thanks to improved security. In addition, public satisfaction with education has increased by 9 per cent over the past year.

35. The inexorable link between security, governance and development was once again highlighted during the reporting period. Simultaneous steps forward in all three areas are required in order to support transition to Afghan authorities and enable them to effectively take over the security leadership in 2014.